

## Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 EA-06 NEA-09 IO-10 ISO-00 OIC-02 AF-06

ARA-06 FEA-01 AGR-05 CEA-01 CIAE-00 COME-00 DODE-00

FRB-03 H-02 INR-07 INT-05 L-02 LAB-04 NSAE-00 NSC-05

PA-01 AID-05 CIEP-01 SS-15 STR-01 TAR-01 TRSE-00

USIA-06 PRS-01 SP-02 OMB-01 /128 W

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P R 121200Z MAR 75

FM USMISSION GENEVA

TO SECSTATE WASHDC PRIORITY 1310

INFO AMEMBASSY CANBERRA

AMEMBASSY LONDON

AMEMBASSY NEW DELHI

AMEMBASSY OTTAWA

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: GATT, ETRD

SUBJECT: GATT COUNCIL MEETING MARCH 24

1. SUMMARY: COUNCIL SCHEDULED TO CONSIDER EC-CANADA 24:6 SETTLEMENT AND AUSTRALIAN TARIFF QUOTAS ON TEXTILES PLUS SEVERAL MORE ROUTINE ITEMS. SUGGEST US RAISE UK EXPORT INSURANCE SCHEME IN SOME MANNER AS WELL AS NEW AUSTRALIAN QUOTAS ON STEEL AND OUR GENERAL CONCERNS OVER NEW DIRECTION AUSTRALIAN TRADE POLICY. END SUMMARY.

FOLLOWING IS ACCOUNT OF ITEMS TO BE TAKEN UP AT MARCH 24

GATT COUNCIL MEETING:

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2. EC-CANADA ART. 24:6 SETTLEMENT. GENEVA 1426, OTTAWA

816, USEC BRUSSELS 1844. CANADA AND EC PLAN MAKE JOINT STATEMENT TIN COUNCIL AS DESCRIBED GENEVA 1426. AGREEMENT ALREADY SIGNED AND CANADIAN MISSION HAS SUPPLIED US COPY OF JOINT TEXT, WHICH BEING TRANSMITTED SEPTEL. RECOMMEND WE SUPPORT INDEFINITE EXTENSION OF ART. XXVIII:3 DEADLINE ON GRAINS. NOTE: WE INFORMED BY FRENCH MISSION THAT EC HAS SENT LETTER TO GATT SECRETARIAT STATING EC VIEW THAT ALL 24:6 DEBTS HAVE BEEN PAID. IF NOT CERTAIN WHETHER THIS WILL EVENTUALLY BE CIRCULATED, BUT EXISTENCE THIS LETTER MAKES DIFFERENCE BETWEEN US-EC AND CANADA-EC OUTCOME ON GRAINS THIN INDEED.

3. INDIA WAIVER EXTENSION ON AUXILIARY DUTIES. INDIA MISSION HAS PLACED ITEM ON AGENDA SIMPLY BECAUSE THEY INFORMED BY NEW DELHI, WITHOUT DETAILS, THAT 15 PER CENT AUXILIARY DUTY HAS ALREADY BEEN EXTENDED. SEE GENEVA 2029, NEW DELHI 4197, STATE 60730 (ALL FROM 1974) FOR MOST RECENT DISCUSSION THIS GRISLY SUBJECT. BELIEVE WE SHOULD REQUIRE INDIA GIVE THOROUGH DEFENSE OF NEED, PRESS THEM AS BEFORE TO GIVE A TERMINAL DATE, AND THEN WHEN THEY SAY THEY CAN'T, RELUCTANTLY GO ALONG WITH WAIVER EXTENSION.

4. AUSTRALIA TARIFF QUOTAS ON TEXTILES. SEPTEL.

5. TEXTILES ANNUAL REVIEW. REPORTS OF TEXTILES COMMITTEE AND TEXTILE SURVEILLANCE BODY (COM.TEX/5, 25 FEBRUARY). ROUTINE ADOPTION OR NOTING EXPECTED.

6. ITC JOINT ADVISORY GROUP REPORT. ITC/AG(VIII)/44, 7 FEBRUARY. ROUTINE NOTING EXPECTED.

7. US AUTO AGREEMENT REPORT. L/4158, 24 FEBRUARY. ROUTINE NOTING EXPECTED.

8. US AGRICULTURAL WAIVER. L/4148, 24 FEBRUARY. SEE GENEVA 7135 FOR RECENT GATT DISCUSSION, BUT ROUTINE NOTING EXPECTED.  
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9. POSSIBLE ITEM: UK EXPORT INSURANCE SCHEME. (LONDON 2926, GENEVA 1365, BONN 3931) BELIEVE IT IMPORTANT IN CURRENT WORLD TRADE CLIMATE NOT LET THIS ISSUE PASS WITHOUT SOME FORM EARLY REFERENCE IN GATT COUNCIL. HOWEVER, WE RECOGNIZE NEED TO RECONCILE US THINKING ON UK ACTION WITH EXISTENCE OF SOMEWHAT SIMILAR SCHEMES IN FRANCE, ITALY. THERE-

FORE SUGGEST US AT LEAST MAKE STATEMENT UNDER "OTHER BUSINESS" THAT SUCH MEASURES AS UK SCHEME MAY BE CONTRARY TO PROVISIONS OF GATT AND RESERVE RIGHT TO RAISE MATTER IN FUTURE. HOWEVER, IF WASHINGTON WISHES PLACE ITEM ON FORMAL AGENDA, WE NEED NOTIFY GATT SECRETARIAT BY FRIDAY, MARCH 14 RPT MARCH 14.

10. POSSIBLE ITEM: AUSTRALIA ART. XIX ACTION ON STEEL SHEETS AND PLATE. (CANBERRA 1516, STATE 55008.) AUSTRALIA HAS SUBMITTED GATT ART. XIX NOTIFICATION WHICH NOT YET CIRCULATED. AUSTRALIA MISSION HAS DESCRIBED TEXT OF DOCUMENT; THIS ALMOST IDENTICAL TO INFO CONTAINED IN CANBERRA 1516, INCLUDING REFERENCE TO 50 RPT 50 PER CENT QUOTA BY WEIGHT BASED ON 1972/73 AVERAGE ANNUAL TRADE. GOES ON TO SAY MEASURE IS GLOBAL AND TEMPORARY AND LISTS TOTAL IMPORTS OF THE TWO Affected ITEMS COMBINED AS 102,316 TONS, 173,512 TONS, AND 256,128 TONS FOR 1972, '73, AND '74 RESPECTIVELY. NO BREAKDOWN GIVEN BY ORIGIN. AUSTRALIA OFFERS CONSULT UNDER ART. XIX "WITH ANY CP HAVING SUBSTANTIAL SUPPLIER INTEREST". JAPANESE MISSION AS YET UNINSTRUCTED BUT SAY THEY EXPECT RAISE MATTER IN COUNCIL, PERHAPS UNDER "OTHER BUSINESS". WE SUGGEST US MAKE STATEMENT REGRETTING NEED FOR SUCH RESTRICTIONS, AGAIN CITING DANGERS OF PROLIFERATION, NOTING AUSTRALIA APPEARS BE TAKING NUMEROUS IMPORT RESTRICTIVE MEASURES, EXPRESSING HOPE THAT THIS MEASURE WILL BE TRULY TEMPORARY AND NOT DRAG ON, AND VOICING OUR ACCEPTANCE OF OFFER TO CONSULT. IN VIEW DEVELOPMENTS CITED IN STATE 55008, REQUEST WE BE AUTHORIZED REQUEST GATT SECRETARIAT BY MARCH 14 RPT MARCH 14 PLACE ITEM ON FORMAL AGENDA.

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11. POSSIBLE ITEM: GENERAL AUSTRALIAN TRADE POLICY. RECOMMEND US ASK GATT COUNCIL FORM WORKING PARTY TO EXAMINE NEW DIRECTION AUSTRALIAN TRADE POLICY AS EVIDENCED BY RECENT BROAD-RANGING IMPORT RESTRICTIONS. BY OUR COUNT, IMPORTS RECENTLY HIT INCLUDE TIRES, PLASTICS, TEXTILES, AUTOS, STEEL, AND NOW, WITH RECEIPT CANBERRA 1571, ELECTRIC APPLIANCES. SUGGEST WE PROPOSE TERMS OF REFERENCE "TO EXAMINE WHETHER RECENT DIRECTION IN AUSTRALIAN IMPORT TRADE POLICY IMPEDES OBJECTIVES OF GENERAL AGREEMENT". WHILE IT DIFFICULT GAUGE CHANCES OF GAINING CONSENSUS IN COUNCIL NOW OR LATER, BELIEVE THIS ACTION NEEDED BOTH TO TRY BRING AUSTRALIAN AUTHORITIES DOWN TO EARTH AND DEMONSTRATE TO OTHER CP'S WHICH MAY BE UNDER SIMILAR PRESSURES THAT WE SERIOUS ABOUT DETERRING PROLIFERA-

TION TRADE RESTRICTIONS. IF WASHINGTON DECISION NOT  
POSSIBLE BY MARCH 14 DEADLINE FOR PLACING ITEMS ON  
FORMAL AGENDA FOR MARCH 24 SESSION, SUGGEST WE MAKE  
PROPOSAL UNDER "OTHER BUSINESS". DALE

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## Message Attributes

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**Copy:** SINGLE  
**Draft Date:** 12 MAR 1975  
**Decapton Date:** 01 JAN 1960  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Disposition History:** n/a  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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